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Form 990

70090960 0000 1146 5846

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2008 calendar year, or tax year beginning 07/01, 2008, and ending 06/30, 2009

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization HEARTLAND FOUNDATION Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 5325 FARAON City or town, state or country, and ZIP + 4 ST. JOSEPH, MO 64506	D Employer identification number 43-1262768
	F Name and address of principal officer JOHN P WILSON 5325 FARAON ST. JOSEPH, MO 64506	E Telephone number (816) 271-6611
	G Gross receipts \$ 2,853,446.	H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No" attach a list (see instructions)
	I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	H(c) Group exemption number
J Website: N/A		
K Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		
L Year of formation 1982 M State of legal domicile MO		

Part I Summary

1 Briefly describe the organization's mission or most significant activities <u>THE ORGANIZATION HAS A VISION TO BUILD HEALTHIER, MORE LIVABLE COMMUNITIES. THE ORGANIZATION'S MISSION IS TO EMPOWER CHILDREN AND ADULTS TO IMPROVE THEIR HEALTH AND QUALITY OF LIFE.</u>				
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.				
3 Number of voting members of the governing body (Part VI, line 1a)	3 21			
4 Number of independent voting members of the governing body (Part VI, line 1b)	4 20			
5 Total number of employees (Part V, line 2a)	5 24			
6 Total number of volunteers (estimate if necessary)	6 NONE			
7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a			
b Net unrelated business taxable income from Form 990-T, line 34	7b NONE			
Revenue 8 Contribution and grants (Part VII, line 2) 9 Program service revenue (Part VIII, line 2g) 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	Prior Year 3,324,045. 694,162. 19,874. 4,038,081.	Current Year 2,092,232. -421,502. 21,540. 1,692,270.		
	Expenses 13 Grants and similar amounts paid (Part IX, column (A), lines 1-4) 14 Benefits paid to or for members (Part IX, column (A), line 4) 15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 16a Professional fundraising fees (Part IX, column (A), line 11e) b Total fundraising expenses, Part IX, column (D), line 25 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) 18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 19 Revenue less expenses Subtract line 18 from line 12	787,679. 702,412. 1,492,290. 2,982,381. 1,055,700.	574,852. 835,620. 1,141,743. 2,552,215. -859,945.	
		Net Assets or Fund Balances 20 Total assets (Part X, line 16) 21 Total liabilities (Part X, line 26) 22 Net assets or fund balances Subtract line 21 from line 20	Beginning of Year 19,862,543. 1,884,102. 17,978,441.	End of Year 19,039,274. 2,319,104. 16,720,170.

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge			
Sign Here Signature of officer <u>John Wilson, Secy/Treas.</u> Type or print name and title	Date <u>5-14-2010</u>	Preparer's identifying number (see instructions) EIN <u>44-0160260</u> Phone no <u>816 221-6300</u>	
Paid Preparer's Use Only Preparer's signature <u>M. E. [Signature]</u> Firm's name (or yours if self-employed), address, and ZIP + 4 <u>BKD, LLP</u> <u>120 WEST 12TH STREET, SUITE 1200 KANSAS CITY, MO 64105-1936</u>	Date <u>MAY 12 2010</u>	Check if self-employed <input type="checkbox"/>	Preparer's identifying number (see instructions)

May the IRS discuss this return with the preparer shown above? (See instructions) ☒ Yes ☐ No

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2008)

JSA
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Part III Statement of Program Service Accomplishments (see instructions)**1** Briefly describe the organization's mission:

SEE STATEMENT 1

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes" describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.**4a** (Code _____) (Expenses \$ 1,843,898. including grants of \$ 574,852.) (Revenue \$ NONE)

SEE STATEMENT 2

4b (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)**4c** (Code _____) (Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)**4d** Other program services (Describe in Schedule O)

(Expenses \$ _____ including grants of \$ _____) (Revenue \$ _____)

4e Total program service expenses ► \$ 1,843,898. (Must equal Part IX, Line 25, column (B))

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4	X
5 Sections 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5	
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	10 X	
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable	11 X	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12 X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the U S ?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? If "Yes," complete Schedule F, Part I	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III	16	X
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I	17	X
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18 X	
19 Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	X
20 Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20	X
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21 X	
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22 X	
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J	23 X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I	25b	X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	X

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? <i>If "Yes," complete Schedule L, Part IV</i>	28a	X
b Have a family member who had a direct or indirect business relationship with the organization? <i>If "Yes," complete Schedule L, Part IV</i>	28b	X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? <i>If "Yes," complete Schedule L, Part IV</i>	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	33	X
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>	37	X

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Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U S Information Returns. Enter -0- if not applicable.	1a 18	
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b NONE	
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a 24	
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	2b	X
Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	3a	X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b	If "Yes," enter the name of the foreign country: _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?	5c	
6a	Did the organization solicit any contributions that were not tax deductible?	6a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	7a	X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	X
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d	
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?	7h	
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?	9a	
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10	Section 501(c)(7) organizations. Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a	
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b	
11	Section 501(c)(12) organizations. Enter		
a	Gross income from members or shareholders.	11a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b	
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b	

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Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)**Section A. Governing Body and Management**

For each "Yes" response to lines 2-7b below, and for a "No" response to lines 8 or 9b below, describe the circumstances, process, or changes in Schedule O. See instructions.

	Yes	No
1a Enter the number of voting members of the governing body	1a 21	
b Enter the number of voting members that are independent	1b 20	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2 X	
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . .	3	X
4 Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a material diversion of the organization's assets?	5	X
6 Does the organization have members or stockholders?	6 X	
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a X	
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?	7b X	
8 Did the organizations contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a X	
b Each committee with authority to act on behalf of the governing body?	8b X	
9a Does the organization have local chapters, branches, or affiliates?	9a	X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?	9b	
10 Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	10 X	
11 Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	11	X

Section B. Policies

	Yes	No
12a Does the organization have a written conflict of interest policy? If "No," go to line 13	12a X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	12c X	
13 Does the organization have a written whistleblower policy?	13 X	
14 Does the organization have a written document retention and destruction policy?	14 X	
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a The organization's CEO, Executive Director, or top management official?	15a X	
b Other officers or key employees of the organization?	15b	
Describe the process in Schedule O. (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► MO

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ► JOHN P. WILSON 5325 FARAON ST. JOSEPH, MO 64506
816-271-6611

Part VIII Statement of Revenue

43-1262768

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c	13,260.			
	d	Related organizations	1d	1,377,415.			
	e	Government grants (contributions)	1e	241,583.			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	459,974.			
	g	Noncash contributions included in lines 1a-1f \$		13,260.			
	h	Total. Add lines 1a-1f		2,092,232			
Program Service Revenue				Business Code			
	2a						
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		447,750.			447,750.
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
		(i) Real	(ii) Personal				
	6a	Gross Rents	15,848.				
	b	Less rental expenses					
	c	Rental income or (loss)	15,848				
	d	Net rental income or (loss)		15,848.		15,848.	
	7a	Gross amount from sales of assets other than inventory	(i) Securities (ii) Other 271,383.				
	b	Less cost or other basis and sales expenses	1,140,635				
	c	Gain or (loss)	-869,252				
	d	Net gain or (loss)		-869,252.		-869,252.	
	8a	Gross income from fundraising events (not including \$ 13,260. of contributions reported on line 1c) See Part IV, line 18	a	26,233.			
	b	Less direct expenses	b	20,541.			
	c	Net income or (loss) from fundraising events		5,692.		5,692.	
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code				
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d						
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			1,692,270		-399,962.	

Part IX Statement of Functional Expenses**Section 501(c)(3) and 501(c)(4) organizations must complete all columns.****All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).**

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21 . . .	386,321.	386,321.		
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	188,531.	188,531.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	228,811.		183,049.	45,762.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . .				
7 Other salaries and wages	429,237.	200,281.	228,956.	
8 Pension plan contributions (include section 401 (k) and section 403(b) employer contributions) . .	30,704.	17,113.	9,911.	3,680.
9 Other employee benefits	108,685.	50,665.	54,849.	3,171.
10 Payroll taxes	38,183.	13,176.	21,918.	3,089.
11 Fees for services (non-employees)				
a Management				
b Legal	13,362.		13,362.	
c Accounting	17,000.		17,000.	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other	59,801.	52,876.	6,925.	
12 Advertising and promotion	4,442.	3,692.	750.	
13 Office expenses	126,717.	54,047.	12,935.	59,735.
14 Information technology				
15 Royalties				
16 Occupancy	11,777.	9,792.	1,985.	
17 Travel	24,692.	5,592.	19,100.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	27,447.	26,387.	1,060.	
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization . . .	12,754.	5,610.	7,144.	
23 Insurance				
24 Other expenses Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a REPAIRS & MAINTENANCE -----	23,513.	13,900.	9,613.	
b PURCHASED SERVICES -----	102,299.	98,026.	4,273.	
c GUARDIAN -----	434,189.	434,189.		
d INTERCOMPANY -----	7,157.	7,157.		
e OTHER EXPENSES -----	276,593.	276,543.	50.	
f All other expenses -----				
25 Total functional expenses Add lines 1 through 24f	2,552,215.	1,843,898.	592,880.	115,437.
26 Joint Costs. Check here <input type="checkbox"/> If following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year	(B) End of year
Assets	1 Cash - non-interest-bearing		1
	2 Savings and temporary cash investments	1,856,429.	2 3,066,603.
	3 Pledges and grants receivable, net	328,198.	3 219,188.
	4 Accounts receivable, net		4
	5 Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6
	7 Notes and loans receivable, net		7
	8 Inventories for sales or use		8
	9 Prepaid expenses and deferred charges		9
	10a Land, buildings, and equipment cost basis 10a 6,253,368.		
	b Less accumulated depreciation. Complete Part VI of Schedule D. 10b 1,140,005.	5,420,939.	10c 5,113,363.
	11 Investments - publicly traded securities	12,166,725.	11 10,545,560.
	12 Investments - other securities. See Part IV, line 11		12
	13 Investments - program-related. See Part IV, line 11		13
	14 Intangible assets		14
	15 Other assets. See Part IV, line 11	90,252.	15 94,560.
16 Total assets. Add lines 1 through 15 (must equal line 34)	19,862,543.	16 19,039,274.	
Liabilities	17 Accounts payable and accrued expenses	92,482.	17 157,125.
	18 Grants payable		18
	19 Deferred revenue		19
	20 Tax-exempt bond liabilities		20
	21 Escrow account liability. Complete Part IV of Schedule D		21
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22
	23 Secured mortgages and notes payable to unrelated third parties	425,270.	23 407,968.
	24 Unsecured notes and loans payable		24
	25 Other liabilities. Complete Part X of Schedule D	1,366,350.	25 1,754,011.
	26 Total liabilities. Add lines 17 through 25.	1,884,102.	26 2,319,104.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.		
	27 Unrestricted net assets	7,347,441.	27 6,284,337.
	28 Temporarily restricted net assets	3,201,775.	28 2,995,989.
	29 Permanently restricted net assets	7,429,225.	29 7,439,844.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.		
	30 Capital stock or trust principal, or current funds		30
	31 Paid-in or capital surplus, or land, building, or equipment fund		31
	32 Retained earnings, endowment, accumulated income, or other funds		32
	33 Total net assets or fund balances	17,978,441.	33 16,720,170.
	34 Total liabilities and net assets/fund balances	19,862,543.	34 19,039,274.

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b	Were the organization's financial statements audited by an independent accountant?	2b	X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	X
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b	If "Yes," did the organization undergo the required audit or audits?	3b	

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	2,370,893.	2,730,220.	4,432,606.	3,324,045.	2,092,232.	14,949,996.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1-3	2,370,893.	2,730,220.	4,432,606.	3,324,045.	2,092,232.	14,949,996.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						14,949,996.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	2,370,893.	2,730,220.	4,432,606.	3,324,045.	2,092,232.	14,949,996.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	411,745.	458,385.	523,322.	473,698.	463,598.	2,330,748.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total support. Add lines 7 through 10						17,280,744.
12 Gross receipts from related activities, etc. (See instructions.)					12	360,371.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	86.51 %
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	85.89 %
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>		
b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a 10%-facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a or 16b, and line 14 is 10% or more, and if the organization meets the "fact-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 10%-facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

Part III Support Schedule for Organizations Described in Section 509(a)(2)
 (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1-5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b.						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6.						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 Total support. (Add lines 9, 10c, 11, and 12)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h.	18	%

19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ☐

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐

Part IV **Supplemental Information.** Complete this part to provide the explanation required by Part II, line 10, Part II, line 17a or 17b, or Part III, line 12. Provide any other additional information. (see instructions)

[illegible]

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Name of the organization

HEARTLAND FOUNDATION

Supplemental Financial Statements

► Attach to Form 990. To be completed by organizations that
answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No 1545-0047

2008

Open to Public
Inspection

Employer identification number

43-1262768

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if
the organization answered "Yes" to Form 990, Part IV, line 6

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

<input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ► _____

4 Number of states where property subject to conservation easement is located ► _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ► _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ► \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ _____

(ii) Assets included in Form 990, Part X ► \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ► \$ _____

b Assets included in Form 990, Part X ► \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition
 b ☐ Scholarly research
 c ☐ Preservation for future generations
 d ☐ Loan or exchange programs
 e ☐ Other _____

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	9,293,709.				
b Contributions	1,060,749.				
c Investment earnings or losses	-700,831.				
d Grants or scholarships					
e Other expenditures for facilities and programs	1,226,339.				
f Administrative expenses					
g End of year balance	8,427,288.				

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ☒ NONE %
 b Permanent endowment ☒ 88.2000 %
 c Term endowment ☒ 11.8000 %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		153,750.		153,750.
b Buildings		5,309,731.	872,271.	4,437,460.
c Leasehold improvements		14,795.	5,048.	9,747.
d Equipment		97,375.	67,640.	29,735.
e Other		677,717.	195,046.	482,671.
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c))				5,113,363.

Schedule D (Form 990) 2008

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other _____		

Total. (Column (b) should equal Form 990, Part X, col (B) line 12) ►		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. (Column (b) should equal Form 990, Part X, col (B) line 13) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. (Column (b) should equal Form 990, Part X, col (B) line 15)	▶

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount
Federal income taxes	
DUE TO HRMC	1,754,011.
Total. (Column (b) should equal Form 990, Part X, col (B) line 25) ▶	1,754,011.

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	1,692,270.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	2,552,215.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-859,945.
4	Net unrealized gains (losses) on investments	4	-398,326.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4-8	9	-398,326.
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-1,258,271.

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	1,314,485.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	-398,326.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	20,541.
e	Add lines 2a through 2d	2e	-377,785.
3	Subtract line 2e from line 1	3	1,692,270.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	1,692,270.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	2,572,756.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	20,541.
e	Add lines 2a through 2d	2e	20,541.
3	Subtract line 2e from line 1	3	2,552,215.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)	5	2,552,215.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

SEE PAGE 5

Part XIV Supplemental Information (continued)

PURPOSE OF ENDOWMENT

SCHEDULE D, PART V, LINE 4

THE ORGANIZATIONS INTENDED USE OF THE ENDOWMENT IS TO SUPPORT COMMUNITY
HEALTH IMPROVEMENT PROJECTS.

RECONCILIATION OF REVENUE

SCHEDULE D, PART XII, LINE 2D

RECLASS OF SPECIAL EVENTS EXPENSES \$20,541

RECONCILIATION OF EXPENSES

SCHEDULE D, PART XIII, LINE 2D

RECLASS OF SPECIAL EVENTS EXPENSES \$20,541

FIN 48 FOOTNOTE

SCHEDULE D, PART XIV

IN ACCORDANCE WITH FINANCIAL ACCOUNTING STANDARDS BOARD (FASB) STAFF

POSITION NO. FIN 48-3, THE FOUNDATION HAS ELECTED TO DEFER THE EFFECTIVE

DATE OF FASB INTERPRETATION NO. 48 (FIN 48), ACCOUNTING FOR UNCERTAINTY

IN INCOME TAXES, UNTIL ITS FISCAL YEAR ENDING JUNE 30, 2010. THE

FOUNDATION HAS CONTINUED TO ACCOUNT FOR ANY UNCERTAIN TAX POSITIONS IN

ACCORDANCE WITH LITERATURE THAT WAS AUTHORITATIVE IMMEDIATELY PRIOR TO

THE EFFECTIVE DATE OF FIN 48, SUCH AS FASB STATEMENT NO. 109, ACCOUNTING

FOR INCOME TAXES AND FASB STATEMENT NO. 5, ACCOUNTING FOR CONTINGENCIES.

(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Name of the organization

▶ **Attach to Form 990 or Form 990-EZ.** Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than \$15,000 on Form 990-EZ, line 6a.

OMB No. 1545-0047

2008

**Open To Public
Inspection**

HEARTLAND FOUNDATION

Employer identification number

43-1262768

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a** ☐ Mail solicitations
- b** ☐ Email solicitations
- c** ☐ Phone solicitations
- d** ☐ In-person solicitations
- e** ☐ Solicitation of non-government grants
- f** ☐ Solicitation of government grants
- g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising activities? ☐ Yes ☐ No

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

(i) Name of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule G (Form 990 or 990-EZ) 2008

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

	(a) Event #1 <u>CATTLE BARON'S</u> (event type)	(b) Event #2 _____ (event type)	(c) Other Events <u>NONE</u> (total number)	(d) Total Events (Add col (a) through col (c))
Revenue				
1 Gross receipts	39,493.			39,493.
2 Less Charitable contributions	13,260.			13,260.
3 Gross revenue (line 1 minus line 2)	26,233.			26,233.
Direct Expenses				
4 Cash prizes				
5 Non-cash prizes	4,762.			4,762.
6 Rent/facility costs	10,931.			10,931.
7 Other direct expenses	4,848.			4,848.
8 Direct expense summary Add lines 4 through 7 in column (d)				(20,541.)
9 Net income summary. Combine lines 3 and 8 in column (d)				5,692.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

	(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue				
1 Gross revenue				
Direct Expenses				
2 Cash prizes				
3 Non-cash prizes				
4 Rent/facility costs				
5 Other direct expenses				
6 Volunteer labor	Yes _____ % No _____ %	Yes _____ % No _____ %	Yes _____ % No _____ %	
7 Direct expense summary Add lines 2 through 5 in column (d)				()
8 Net gaming income summary Combine lines 1 and 7 in column (d)				

	Yes	No
9 Enter the state(s) in which the organization operates gaming activities _____		
a Is the organization licensed to operate gaming activities in each of these states?	9a	
b If "No," Explain _____		
10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?	10a	
b If "Yes," Explain _____		
11 Does the organization operate gaming activities with nonmembers?	11	
12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming?	12	

13 Indicate the percentage of gaming activity operated in

- | | | | Yes | No |
|----------|---------------------------------------|------------|-----|----|
| a | The organization's facility | 13a | % | |
| b | An outside facility | 13b | % | |

14 Provide the name and address of the person who prepares the organization's gaming/special event books and records

Name ► _____

Address ► _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? **15a**

- b** If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____
- c** If "Yes," enter name and address

Name ► _____

Address ► _____

16 Gaming manager information

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

☐ Director/officer☐ Employee☐ Independent contractor**17** Mandatory distributions

- a** Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? **17a**
- b** Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$

SCHEDULE I
(Form 990)

Grants and Other Assistance to Organizations,
Governments, and Individuals in the U.S.

OMB No. 1545-0047

2008

Open to Public
Inspection

Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22.
Attach to Form 990.

Department of the Treasury
Internal Revenue Service

Name of the organization

HEARTLAND FOUNDATION

Employer identification number

43-1262768

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States ☐

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
HEALTHY COMMUNITIES C/O HEARTLAND FOUNDATION	43-1262768	501(C)(3)	100,000.				SUPPORT
SOCIAL WELFARE BOARD C/O HEARTLAND FOUNDATION	44-6000455	GOVT UNIT	54,657				SALARY
SUCCESS BY SIX C/O HEARTLAND FOUNDATION	75-3197631	501(C)(3)	50,000.				OPERATING COSTS
AMERICAN RED CROSS C/O HEARTLAND FOUNDATION	53-0196605	501(C)(3)	20,000.				DISASTER RELIEF
PONY EXPRESS NATIONAL MUSEUM C/O HEARTLAND FOUNDATION	43-1567246	501(C)(3)	16,667.				MUSEUM
TRAILS WEST C/O HEARTLAND FOUNDATION	43-1567246	501(C)(3)	12,500.				SUPPORT
ALLIED ARTS FUND C/O HEARTLAND FOUNDATION	43-0810827	501(C)(3)	12,000.				SUPPORT
AMERICAN CANCER SOCIETY C/O HEARTLAND FOUNDATION	74-1185665	501(C)(3)	10,000.				SUPPORT
INSTITUTE FOR INDUSTRIAL AND APPLIED LIFE S C/O HEARTLAND FOUNDATION	20-1215246	501(C)(3)	10,000.				SUPPORT
INTER-SERVE C/O HEARTLAND FOUNDATION	75-3197631	501(C)(3)	10,000.				JUDA HOUSE

- 2 Enter total number of section 501(c)(3) and government organizations
- 3 Enter total number of other organizations

Schedule I (Form 990) 2008

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22.
Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
CRISIS GRANTS	64	114,981.			
SCHOLARSHIPS	88	73,550.			

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

MONITORING THE USE OF GRANTS

SCHEDULE I, PART I, LINE 2

GRANTS GIVEN TO OTHER ORGANIZATIONS ARE TO FURTHER EDUCATION, HEALTHCARE AND ECONOMIC DEVELOPMENT IN THE AREAS SURROUNDING THE ORGANIZATION. ALL GRANTS ARE GIVEN TO ORGANIZATIONS WITH BOARDS CONSISTING OF CIVIC, PHILANTHROPIC AND BUSINESS LEADERS WHO MONITOR THE USE OF GRANTS AND ENSURE THEY'RE USED FOR PROPER PURPOSES. SCHOLARSHIPS TO STUDENTS ARE APPLIED DIRECTLY TOWARDS THE STUDENT'S ACCOUNTS TO OFFSET TUITION COSTS TO ENSURE THAT SCHOLARSHIPS ARE USED ONLY FOR STUDENT EDUCATIONAL PURPOSES.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest
Compensated Employees

▶ Attach to Form 990. To be completed by organizations
that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the organization

HEARTLAND FOUNDATION

Employer identification number

43-1262768

Part I Questions Regarding Compensation

1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items

- ☐ First-class or charter travel
☐ Travel for companions
☐ Tax indemnification and gross-up payments
☐ Discretionary spending account

- ☐ Housing allowance or residence for personal use
☐ Payments for business use of personal residence
☐ Health or social club dues or initiation fees
☐ Personal services (e.g., maid, chauffeur, chef)

b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.

- ☒ Compensation committee
☒ Independent compensation consultant
☐ Form 990 of other organizations
☒ Written employment contract
☒ Compensation survey or study
☒ Approval by the board or compensation committee

4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a

a Receive a severance payment or change of control payment?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.

5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of

a The organization?

b Any related organization?

If "Yes" to line 5a or 5b, describe in Part III.

6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of

a The organization?

b Any related organization?

If "Yes" to line 6a or 6b, describe in Part III

7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III

8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III

	Yes	No
1b		
2		
4a		X
4b	X	
4c		X
5a		X
5b		X
6a		X
6b		X
7		X
8		X

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

COMPENSATION PAID BY A RELATED ORGANIZATION

SCHEDULE J, PART II

FOR LOWELL C. KRUSE, JOHN P. WILSON, AND WENDALL BRONSON, D.O. THE

COMPENSATION IS PROVIDED BY HEARTLAND REGIONAL MEDICAL CENTER, A RELATED

ENTITY, FOR SERVICES TO ALL HEARTLAND ENTITIES, INCLUDED IN THE DEFERRED

COMPENSATION ARE EMPLOYER CONTRIBUTIONS INTO QUALIFIED PLANS AND

NON-QUALIFIED DEFERRED COMPENSATION PLANS THAT ARE SUBJECT TO SUBSTANTIAL

RISK OF FORFEITURE AND SEVERANCE THAT IS PROVIDED WITHIN THE EXECUTIVE'S

EMPLOYMENT AGREEMENT THAT MAY NEVER BE PAID.

METHODS USED TO ESTABLISH COMPENSATION

SCHEDULE J, PART I, LINE 3

JUDY SABBERT'S COMPENSATION IS PAID BY HEARTLAND REGIONAL MEDICAL CENTER.

HEARTLAND FOUNDATION IS DISCLOSING AS THOUGH IT PAID JUDY'S COMPENSATION

DIRECTLY SINCE IT REIMBURSED HEARTLAND REGIONAL MEDICAL CENTER FOR HER

COMPENSATION.

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information

NONQUALIFIED RETIREMENT PLAN PROVIDED BY HEARTLAND REGIONAL MEDICAL CENTER

SCHEDULE J, PART I, LINE 4B

LOWELL C. KRUSE \$1,609,898

JOHN P. WILSON \$ 19,028

SCHEDULE J-2
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Form 990

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

OMB No 1545-0047

2008

**Open to Public
Inspection**

Name of the Organization

HEARTLAND FOUNDATION

Employer Identification number

43-1262768

Part I

Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
LOWELL C KRUSE PRESIDENT & CEO	75.	X		X				NONE	881,951.	1,625,588.
SHARON EVERS DIRECTOR	1.	X						NONE	NONE	NONE
DR. LINDA GRAY SMITH DIRECTOR	1.	X						NONE	NONE	NONE
DR. NEIL NUTTALL DIRECTOR	1.	X						NONE	NONE	NONE
R. MICHAEL POLAND DIRECTOR	1.	X						NONE	NONE	NONE
MELODY SMITH DIRECTOR	1.	X						NONE	NONE	NONE
ROBERT LEE STANTON DIRECTOR	1.	X						NONE	NONE	NONE
JO EYBERG DIRECTOR	1.	X						NONE	NONE	NONE
JOSEPH HOUTS, JR. DIRECTOR	1.	X						NONE	NONE	NONE
LARRY KOCH DIRECTOR	1.	X						NONE	NONE	NONE
BARBARA SPRONG DIRECTOR	1.	X						NONE	NONE	NONE
PAM YOUNG DIRECTOR	1.	X						NONE	NONE	NONE
TOM BRODERICK DIRECTOR	1.	X						NONE	NONE	NONE
JEANNE DAFFRON DIRECTOR	1.	X						NONE	NONE	NONE
REED GRAVES DIRECTOR	1.	X						NONE	NONE	NONE
LAVELL RUCKER DIRECTOR	1.	X						NONE	NONE	NONE
STET SCHANZE DIRECTOR	1.	X						NONE	NONE	NONE
PAT SPEISER DIRECTOR	1.	X						NONE	NONE	NONE
DAVID WALTEMATH DIRECTOR	1.	X						NONE	NONE	NONE
DAN COLGAN DIRECTOR	1.	X						NONE	NONE	NONE
SHERI SPADER DIRECTOR	1.	X						NONE	NONE	NONE

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

JSA

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Department of the Treasury
Internal Revenue Service

▶ **Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.**

2008

Open to Public Inspection

Name of the Organization

HEARTLAND FOUNDATION

Employer Identification number

43-1262768

Part I

Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J-2 (Form 990) 2008

Name of the organization

HEARTLAND FOUNDATION

Employer identification number

43-1262768

NUMBER OF EMPLOYEES

FORM 990, PART V, LINE 2A

HEARTLAND FOUNDATION LEASES 24 EMPLOYEES FROM HEARTLAND REGIONAL MEDICAL

CENTER. HEARTLAND FOUNDATION IS DISCLOSING ON ITS 990 AS IF THE

FOUNDATION EMPLOYED THESE INDIVIDUALS DIRECTLY AND NOT THROUGH A LEASING

RELATIONSHIP.

Name of the organization

Employer identification number

HEARTLAND FOUNDATION

43-1262768

BUSINESS/FAMILY RELATIONSHIPS

FORM 990, PART VI, SECTION A, LINE 2

JOHN P. WILSON AND LOWELL C. KRUSE HAVE A BUSINESS RELATIONSHIP. THEY ARE

OFFICERS AND DIRECTORS OF COMMUNITY HEALTH PLAN, INC. AND COMMUNITY

HEALTH PLAN INSURANCE COMPANY WHICH ARE RELATED FOR PROFIT CORPORATIONS.

Name of the organization

HEARTLAND FOUNDATION

Employer identification number

43-1262768

MEMBERS OR STOCKHOLDERS

FORM 990, PART VI, SECTION A, LINE 6

HEARTLAND HEALTH, A MISSOURI NONPROFIT CORPORATION, IS THE SOLE MEMBER OF

HEARTLAND FOUNDATION. HEARTLAND HEALTH HAS THE RIGHT TO ELECT THE BOARD

OF TRUSTEES OF HEARTLAND FOUNDATION. HEARTLAND HEALTH IS NOT ENTITLED TO

RECEIVE A SHARE OF HEARTLAND FOUNDATION'S PROFITS OR EXCESS DUES.

HEARTLAND HEALTH IS ENTITLED TO HEARTLAND FOUNDATION'S NET ASSETS UPON

DISSOLUTION AS LONG AS HEARTLAND HEALTH IS EXEMPT UNDER SECTION 501(A) OR

501(C)(3) OF THE INTERNAL REVENUE CODE.

Name of the organization

HEARTLAND FOUNDATION

Employer identification number

43-1262768

MEMBERS OR STOCKHOLDERS MAY ELECT GOVERNING BODY

FORM 990, PART VI, SECTION A, LINE 7A

HEARTLAND HEALTH, BEING THE SOLE MEMBER OF HEARTLAND FOUNDATION, HAS THE

RIGHT TO ELECT ALL THE BOARD OF TRUSTEES.

Name of the organization

Employer identification number

HEARTLAND FOUNDATION

43-1262768

GOVERNING BODY DECISIONS SUBJECT TO APPROVAL OF MEMBERS OR STOCKHOLDERS

FORM 990, PART VI, SECTION A, LINE 7B

THE CORPORATE BYLAWS OF HEARTLAND FOUNDATION IDENTIFY CERTAIN RIGHTS AND

POWERS WHICH ARE RESERVED TO HEARTLAND HEALTH, THE SOLE MEMBER. IN EACH

INSTANCE, THE RIGHTS AND POWERS RESERVED TO THE SOLE MEMBER MAY BE

SUMMARIZED AS FOLLOWS:

A. OVERALL STRATEGIC DIRECTION

B. ELECTION OF TRUSTEES

C. APPOINTMENT OF THE CHIEF EXECUTIVE OFFICER, OTHER SENIOR OFFICERS,

AUDITORS, AND LEGAL COUNSEL

D. ESTABLISHMENT OF BANKING RELATIONSHIPS

E. MANAGEMENT OF CASH AND OTHER ASSETS

F. APPROVAL OF CHANGES TO THE ARTICLES OF INCORPORATION AND BYLAWS

G. LONG-RANGE PLANNING

H. ADOPTION OF ANNUAL OPERATING BUDGETS

Name of the organization

Employer identification number

HEARTLAND FOUNDATION

43-1262768

FORM 990 REVIEW PROCESS

FORM 990, PART VI, SECTION A, LINE 10

AN INDEPENDENT ACCOUNTING FIRM PREPARES AND REVIEWS THE 990. THE CHIEF

OPERATING OFFICER, THE TREASURER, THE ASSISTANT TREASURER, AND THE TAX

SPECIALIST OF HEARTLAND REGIONAL MEDICAL CENTER REVIEW THE 990. THE 990

IS THEN POSTED TO A WEBSITE FOR ALL VOTING MEMBERS TO ACCESS BEFORE IT IS

FILED.

Name of the organization

Employer identification number

HEARTLAND FOUNDATION

43-1262768

MONITORING THE CONFLICT OF INTEREST POLICY

FORM 990, PART VI, SECTION B, LINE 12B & LINE 12C

UPON AGREEING TO FILL A BOARD POSITION, THE PROSPECTIVE MEMBER IS REQUIRED TO SIGN A CONFLICT OF INTEREST DOCUMENT WHICH DISCLOSES FAMILY AND BUSINESS RELATIONSHIPS THAT COULD BE CONSIDERED IN CONFLICT WITH THEIR POSITION ON THE BOARD. IN THIS DOCUMENT, THEY AGREE THAT THEY WILL DISCLOSE ANY ACTIVITIES IN WHICH THEY MAY NOT BE INDEPENDENT IN REGARDS TO A TRANSACTION. THIS DOCUMENT IS DISTRIBUTED AND HELD BY LEGAL COUNSEL. THE MEMBER ALSO SIGNS HEARTLAND'S CODE OF CONDUCT DOCUMENT IN WHICH THEY AGREE TO ETHICAL BEHAVIOR AND ADHERING TO CONFIDENTIALITY POLICIES. THIS DOCUMENT IS HELD BY THE CORPORATE COMPLIANCE OFFICE. ANNUALLY, THE CORPORATE COMPLIANCE OFFICER DISTRIBUTES A SURVEY TO EACH BOARD MEMBER TO FACILITATE DISCLOSURE OF ANY REPORTABLE ACTIVITIES. DURING THE COURSE OF BOARD MEETINGS, BOARD MEMBERS WILL DISMISS THEMSELVES FROM MEETINGS AND/OR ABSTAIN FROM VOTING DURING DISCUSSIONS OF ISSUES THAT RELATE TO THOSE SPECIFIC MEMBERS OR THE COMPANIES THAT THEY REPRESENT. FOR EXAMPLE, PHYSICIAN BOARD MEMBERS ABSTAIN FROM VOTING ON THEIR OWN RE-CREDENTIALING, UNIVERSITY BOARD MEMBERS ARE DISMISSED DURING DISCUSSIONS OF UNIVERSITY-RELATED ACTIVITIES AND LEGAL COUNSEL IS DISMISSED DURING DISCUSSION AND VOTING ON LEGAL COUNSEL REVIEW AND SELECTION. ALL DISMISSALS AND ABSTENTIONS ARE RECORDED IN THE MINUTES OF THE BOARD MEETING. ANNUALLY, THE OFFICERS AND KEY EMPLOYEES ARE REQUIRED TO SIGN A CODE OF CONDUCT DOCUMENT IN WHICH THEY AGREE TO ETHICAL BEHAVIOR AND ADHERING TO CONFIDENTIALITY POLICIES. THEY ALSO RECEIVE A QUESTIONNAIRE WHICH FACILITATES THE DISCLOSURE OF ANY REPORTABLE ACTIVITIES TO THE CORPORATE COMPLIANCE OFFICER.

Name of the organization

HEARTLAND FOUNDATION

Employer identification number

43-1262768

COMPENSATION REVIEWFORM 990, PART VI, SECTION C, LINE 15AHEARTLAND FOUNDATION LEASES JUDY SABBERT FROM HEARTLAND REGIONAL MEDICALCENTER. A COMPENSATION COMMITTEE COMPRISED OF THE HEARTLAND HEALTH BOARDCHAIRMAN, HEARTLAND HEALTH BOARD VICE-CHAIRMAN AND THREE ADDITIONALHEARTLAND HEALTH BOARD MEMBERS AND OUR LEGAL COUNSEL, AS SCRIBE OVERSEEAN ANNUAL SALARY REVIEW PROCESS FOR OFFICERS, ADMINISTRATORS AND KEYEMPLOYEES. FOR EACH POSITION TO BE REVIEWED, THE FULL SCOPE OF DUTIES ANDRESPONSIBILITIES, NUMBERS OF STAFF MANAGED, PROCESSES MANAGED,APPROXIMATE REVENUE, EXPENSE, OR CAPITAL DOLLARS MANAGED ARE PROVIDED TOA THIRD PARTY CONSULTANT THAT SPECIALIZES IN RESEARCH OF MARKET SALARYDATA. OUR FACILITY SIZE, OUR NOT-FOR-PROFIT STATUS AND THE SCOPE OF EACHJOB POSITION IS COMPARED TO LIKE FACILITIES TO DETERMINE BASECOMPENSATION AND INCENTIVE COMPENSATION FOR EACH POSITION. THE DATAGATHERED BY THE MARKET RESEARCH FIRM IS REVIEWED BY THE COMPENSATIONCOMMITTEE. OUTLIER ISSUES ARE RESOLVED AND BASED UPON PRESENT FINANCIALINDICATORS, THE COMMITTEE MAKES THEIR DETERMINATION OF COMPENSATIONLEVELS FOR THE NEXT PAY YEAR.

Name of the organization

HEARTLAND FOUNDATION

Employer identification number

43-1262768

AVAILABILITY OF DOCUMENTSFORM 990, PART VI, SECTION C, LINE 19THE ORGANIZATION DOES NOT MAKE ITS GOVERNING DOCUMENTS, CONFLICT OFINTEREST POLICY OR FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC.

[illegible][illegible]

Schedule R (Form 990) 2008

Part V Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV

1 During the tax year did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity
- b Gift, grant, or capital contribution to other organization(s)
- c Gift, grant, or capital contribution from other organization(s)
- d Loans or loan guarantees to or for other organization(s)
- e Loans or loan guarantees by other organization(s)
- f Sale of assets to other organization(s)
- g Purchase of assets from other organization(s)
- h Exchange of assets
- i Lease of facilities, equipment, or other assets to other organization(s)
- j Lease of facilities, equipment, or other assets from other organization(s)
- k Performance of services or membership or fundraising solicitations for other organization(s)
- l Performance of services or membership or fundraising solicitations by other organization(s)
- m Sharing of facilities, equipment, mailing lists, or other assets
- n Sharing of paid employees

- o Reimbursement paid to other organization for expenses
- p Reimbursement paid by other organization for expenses

- q Other transfer of cash or property to other organization(s)
- r Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(A) Name of other organization(s)		(B) Transaction type (a-r)	(C) Amount involved	
--------------------------------------	--	----------------------------------	------------------------	--

(1)

(2)

(3)

(4)

(5)

(6)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See Instructions regarding exclusion for certain investment partnerships.

[illegible]

- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only Part II and check this box ☒ **X**
- Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868
- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1)

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization	Employer identification number
	HEARTLAND FOUNDATION	43-1262768
	Number, street, and room or suite no. If a P.O. box, see instructions	For IRS use only
	518 S 6TH STREET	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	ST. JOSEPH, MO 64501	

Check type of return to be filed (File a separate application for each return)

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (sec 401(a) or 408(a) trust)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8870
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 5227	

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- The books are in the care of ☒ JOHN WILSON
Telephone No 816 271-6611 FAX No
- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

- 4 I request an additional 3-month extension of time until 05/15/2010
- 5 For calendar year , or other tax year beginning 07/01/2008, and ending 06/30/2009
- 6 If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period
- 7 State in detail why you need the extension

ADDITIONAL TIME IS REQUIRED TO ACCUMULATE THE INFORMATION
NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	8a \$	NONE
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868	8b \$	NONE
c Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	8c \$	NONE

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature BKD, LLP Title Date

BKD, LLP
120 WEST 12TH STREET, SUITE 1200
KANSAS CITY, MO 64105-1936

Form 8868 (Rev 4-2009)

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No 1545-1709

► **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒ **X**
 - If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)
- Do not complete Part II unless** you have already been granted an automatic 3-month extension on a previously filed Form 8868

Part I Automatic 3-Month Extension of Time. Only submit original (no copies needed).

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only ☐*All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns*

Electronic Filing (e-file). Generally, you can electronically file Form 8868 if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for a corporation required to file Form 990-T). However, you cannot file Form 8868 electronically if (1) you want the additional (not automatic) 3-month extension or (2) you file Forms 990-BL, 6069, or 8870, group returns, or a composite or consolidated Form 990-T. Instead, you must submit the fully completed and signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile and click on *e-file for Charities & Nonprofits*

Type or print File by the due date for filing your return. See instructions	Name of Exempt Organization	Employer identification number
	HEARTLAND FOUNDATION	43-1262768
	Number, street, and room or suite no. If a P.O. box, see instructions	
	518 S 6TH STREET	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	ST. JOSEPH, MO 64501	

Check type of return to be filed (file a separate application for each return)

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ► JOHN WILSON

Telephone No ► 816 271-6611

FAX No ► _____

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until 02/15, 2010, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ☐ calendar year _____ or
 ► ☒ tax year beginning 07/01, 2008, and ending 06/30, 2009

2 If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions	3a	\$	NONE
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	NONE
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions	3c	\$	NONE

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

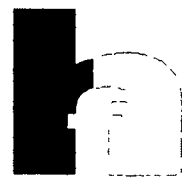
For Privacy Act and Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 4-2009)



DO YOU SEE IT?

I AM POSSIBILITY



**heartland
foundation**

*Building Healthier,
More Livable Communities*

2009 Social Accountability Report



WAYS TO INVEST

100% of your gift supports mission critical programming to build healthier, more livable communities.

ONLINE GIVING

You may make a gift securely online using your debit or credit card.

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GIVE BY MAIL

Gifts made by check should be payable to Heartland Foundation and mailed to:

Heartland Foundation

518 S. 6th Street

St. Joseph, MO 64501

GIFTS OF STOCK

By donating appreciated securities or mutual fund shares, you can provide a lasting contribution while receiving tax benefits, such as capital gains tax savings.

ESTATE PLANNING

To remember Heartland Foundation in your will or estate plan, be sure to name Heartland Foundation as beneficiary. Our federal tax id number is 43-1262768.

If you have already named the Foundation in your estate plan, please contact us so we can welcome you to the Think Ahead Society.

STAYING CONNECTED AND THINKING AHEAD

Heartland Foundation is expanding our communication efforts. Every week there is something exciting happening at emPowerU and we want you to stay plugged in.

Launch Pad

On June 1, 2009, thanks to the support of a Learn and Serve America grant, Heartland Foundation introduced Launch Pad. Launch Pad is an interactive site where existing, former and future Heartland Foundation youth grant recipients can showcase their projects. This site also enables current teams to collaborate on their projects as well as communicate with each other to brainstorm and share ideas. See the amazing work that our youth are doing across small towns and urban communities by visiting Launch Pad at <http://launchpad.heartlandfoundation.org> and clicking on the Gallery

Facebook & Twitter

Want to know what's happening daily and weekly at Heartland Foundation? Follow us on Twitter and Facebook **You do not need to be a member of either site to stay current on Foundation activities.**

Follow us on Twitter at www.twitter.com/HeartlandFnd and Facebook at www.facebook.com/HeartlandFoundation. If you have a Facebook page, please become a fan of Heartland Foundation and share the excitement with your friends

The innovation has just begun . . .

Connect to www.heartlandfoundation.org in the coming months as we continue to think ahead.

CONTACT US

Heartland Foundation

518 S. 6th St. • St. Joseph, MO 64501

P: 816.271.7200 • Tt: 1.800.447.1083 • F: 816.271.7269

Letter From the Chief Operating Officer

Do you see it?

When I walk through the doors at emPowerU each morning, I see it.
Possibility.

As the school bus full of students begins to unload, I know it's another day filled with young people being empowered to take on the role of active citizenship. I think about the student who said, "It changed me;" and I know that not only was he changed, but also so were the lives he touched. He and so many other young people have felt what it means to be empowered to make a difference. We see them taking action in their communities each and every day.

When I go to Heartland Foundation's Facebook page and notice the latest photos from our most recent Project Fit site, I know that more than 12,000 students in 48 schools will participate in physical fitness today. I see possibility in the smiles of these children and know that we are combating the childhood obesity epidemic our nation faces. Healthier lifestyles are being adopted one student and one school at a time.

I open the door for one of our READ from the START facilitators. She is here to pick up books and will give them to new parents later this week when she guides and teaches them to value and make reading fun for their young children from as early as birth.

While participating in a Healthy Communities Investor Council meeting, I look around and see members from the business community, education and healthcare who are sharing resources and perspectives. New ideas take focus around a P-20 continuum of learning from birth throughout life, technology enhancements, and a culture of character. I know that we are all here because we believe that together we can realize our vision of healthier, more livable communities.

Possibility. Do you see it? It's in the faces of so many. I invite you to continue reading as well as to invest in making a difference at www.hfmarket.org. If you would like to see and experience it firsthand, please contact the Foundation for a tour of emPowerU or to serve as a volunteer.

In the service of our children and communities,



Judith K. Sabbert
Chief Operating Officer

OUR VISION

**Healthier, More Livable
Communities**

OUR MISSION

**To empower all children
and adults to continuously
improve their health
and quality of life.**

OUR PASSION

**Loving our kids and
our communities.**

**Increasing education
and income levels
are the two social
determinants that will
make the greatest
difference in building
healthier, more
livable communities.**

Introduction

Research (Unnatural Causes, 2008 et al.) reveals that our country spends more than twice the amount per person on health care compared to the average wealthy nation, and yet, our life expectancy is much shorter. Socio-economic factors are known to impact one's health. Findings suggest that people tend to be sicker and die sooner depending on the social circumstances (education and income levels) in which they are born, live, and work.

The facts are compelling:

- More than \$1 trillion a year is lost in productivity to U.S. businesses due to chronic illnesses.
- Our country spends more than double the average of other industrialized nations on health care, and yet, the U.S. has some of the worst health outcomes, ranking 29th in life expectancy and 30th in infant mortality.
- Close to 13% of the total U.S. population—and 17.1% of children under the age of 18—live in poverty (*Poverty in America, GAO Report, 2007*). People living in poverty are 50% more likely to suffer from heart disease than those who are among the top income earners.
- College graduates are more likely to live at least five years longer than those who do not finish high school
- Children of poverty are seven times more likely to have poor or fair health compared to those who live in higher income families.
- Compared to the wealthiest nations, the U.S. has
 - the highest infant mortality rate
 - the highest homicide rate
 - the highest teenage birth rate
 - the highest incarceration rate
 - the highest child poverty rate
 - the highest injury death rate
 - the highest overall poverty rate
 - the lowest voter turnout

Heartland Foundation began generating interest in what drives the health of individuals and communities over 15 years ago. Understanding that all sectors must be engaged in addressing this critical issue, Heartland Foundation has embarked on a number of innovative and collaborative practices that are beginning to affect positive change. Data supports that increasing education levels and ensuring quality jobs are the two social determinants that will make the greatest difference in a community's health and well-being (*Unnatural Causes, 2008*).

Revitalizing Communities: Education and the Workforce

Understanding the role education plays in the health of the population, all of us must share the responsibility to ensure that young people are prepared for the modern workforce and community life to meet the demands of the 21st century. In 2006 The Conference Board surveyed human resource professionals around the country and listened to what employers had to say about the new workforce in America. The survey results indicate that the U.S. "is not doing enough, fast enough, to prepare for a vibrant economic future for our children and our nation."

Today's challenge is to prepare students for tomorrow's jobs and technologies in the new global economy. These jobs and technologies do not likely exist yet. Critical then is the need to prepare them with the ability to solve problems in the future. The Conference Board report states that both academic and applied skills are necessary to improve outcomes for individuals and communities to be competitive in the ever-increasing complex and changing global environment in which we live. Among the most important skills cited by over 400 employers.

- Professionalism and Work Ethic
- Oral and Written Communications
- Teamwork and Collaboration
- Critical Thinking and Problem Solving

Another study (Wagner 2008) confirmed these findings and found seven survival skills that students must master to be successful in the 21st Century.

- Critical Thinking and Problem Solving
- Collaboration and Leadership
- Agility and Adaptability
- Initiative and Entrepreneurialism
- Effective Oral and Written Communication
- Accessing and Analyzing Information
- Curiosity and Imagination

To conquer the challenges of improving tomorrow's workforce and producing more engaged citizens, investment is needed in alignment strategies and development of meaningful partnerships with diverse sectors. A number of innovative, collaborative practices advocated by Heartland Foundation are addressing these needs with good results.





Healthy Communities Investor Council Major Donors

Heartland Health

Missouri Western State University

North Central Missouri College

Northwest Missouri State University

St. Francis Hospital & Health Services

Healthy Communities

Launched in 1994, the Healthy Communities Investor Council, under the auspices of Heartland Foundation, was formed to bring non-traditional partners to the table to share resources, different perspectives, and new possibilities for building healthier, more livable communities. Now funded by Heartland Health, Missouri Western State University, North Central Missouri College, Northwest Missouri State University, St. Francis Hospital & Health Services, and Heartland Foundation donors, the council serves as a sounding board for a variety of collaborative efforts.

Diverse members include school administrators, community and economic developers, hospital administrators, technology experts, bank executives, and business partners. The initiative advocates for accountability systems (individual and community) that will facilitate the best answers that matter most. Over the past 15 years, data gathering and evaluation, networking summits, regional planning forums, and youth empowerment programs have evolved. For each initiative, a diverse group of regional citizens meet to address new innovations, collaborative partnerships, tools, and resources to promote mission-critical issues.

Since 2006, an outgrowth of the Healthy Communities Investor Council agenda has led to three strategic priorities for northwest Missouri:

- Forming a Northwest Preschool-20 (P-20) Business and Education Council to advocate for higher levels of education
- Bringing public and private partners together to promote an affordable broadband infrastructure with access in even the most remote rural areas and develop an regional information exchange
- Promoting a Culture of Character in homes, schools, and businesses

P-20 Business and Education Council

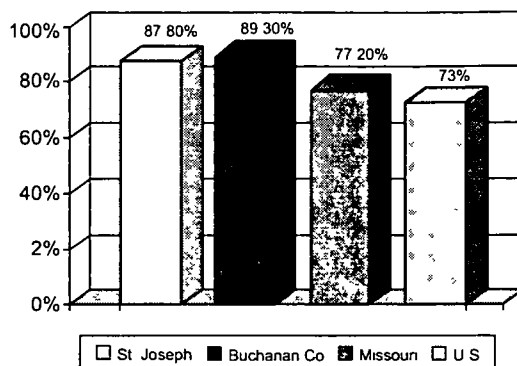
Recent data shows the U.S. currently lags behind a number of other industrialized nations in terms of high school graduation (*OECD, 2006*). Educational attainment is the most important determinant of a person's life chances in terms of employment, income, health status, housing, and other amenities. Dropouts earn less and are less likely to be employed. The net economic effect has costly consequences for the larger society when education levels remain low. Lifetime earners make on average \$322,000 less as dropouts than male high school graduates. Additionally, the difference in lifetime earnings between a high school dropout and a college graduate tops nearly \$1.4 million (*An Excellent Education for America's Children*).

Among developed countries, the U.S. ranks 18th in high school graduation rates and 15th in college graduation rates. Far fewer American students are completing high school with diploma rates trending downward from 85% to only about seven in 10 students who are actually successful in finishing high school today.



Graduation Rates

In a fast-paced world with increasing global competition, "failure to educate tomorrow's leaders and workforce puts our entire economic and national security at risk" (*The America's Promise Alliance, 2008*). It is imperative that business and education work together to promote lifetime education and prepare individuals to become self-sufficient, lifetime learners.



The good news is that a movement is in place. With the support of our Healthy Communities investors, Heartland Foundation brought education, business, and community leaders together in 2007 to advocate for higher levels of education and 21st Century workforce preparedness. Over 60 individuals from diverse backgrounds now volunteer to serve on the regional P-20 Business and Education Council. The group is dedicated to "promoting healthier, more livable communities through connecting a diverse partnership committing to, advocating for, and achieving optimal educational outcomes and ensuring a prepared workforce now and in the future."

A sampling of educational objectives currently underway includes.

- Strengthening the educational system to meet community and business needs
- Implementing projects and networks that connect conversations
- Reducing barriers to education and training opportunities

emPower Plant

Prior to the formation of the P-20 Council, Heartland Foundation surveyed more than 6,000 teenagers in 1999 about a number of issues. Their responses reflected a need for change:

- Only 43% of young people believed they could contribute to the future of their community
- 33% felt that their ideas were welcome in their communities
- Only 28% felt valued by adults in their community
- 44% believed jobs of interest would be available for them upon graduation
- 3 out of 4 planned to leave the region upon finishing high school or college

In response to these youth concerns, emPower Plant was envisioned by Heartland Foundation. Business, education, and community leaders were invited to regional dialogues to explore the idea of co-creating a new experiential learning model to engage young people in building healthier, more livable communities.





Now a national model, the original idea proposed led to a transformative learning curriculum to engage young people in "out-of-class activities" in simulated and real world experiences that augment classroom learning. The goal was to bring schools and communities together to help youth and communities achieve their potential. Emphasis was placed on building academic skills while enhancing workforce and citizenship skills. Using a co-creation process, over one hundred volunteers participated in design forums and more than 1,500 investors contributed over \$10.8 million to date to the "Campaign for Community Change and Innovation." These funds have supported a number of *healthy communities* initiatives including the development of the emPower Plant curriculum, early operating support to launch the program, an endowment, and the technology-rich emPowerU facility.



emPower Plant

This one-of-a-kind experiential civic education, service-learning, and workforce development curriculum involves primarily middle school students. They begin the learning process by participating in a one-day immersion experience at emPowerU, which is a unique technology-rich environment designed to inspire collaboration, creativity, and imagination.

The initial test lab served more than 3,000 students. With good pilot results, emPowerU, a research and solutions center, opened in the fall of 2007 with an additional 8,000 students participating to date from nearly 100 schools. Both rural and urban schools attend the one-day immersion. In addition, many of the schools implement the full curriculum and complete "out-of-class time" Jump Starters service-learning projects when they return to their classrooms and communities.

Heartland Foundation's (HF) field-tested Youth Empowerment curriculum is aligned with national and state standards and is designed to educate and empower young people to be engaged citizens, leaders, and community problem solvers now and in the future. Public Achievement, emPower Plant, emPower Me, and Jump Starters are components of this youth empowerment model. Evaluative research shows promising results with a statistically-significant difference in students who are engaged in this unique 21st century learning program.

Students who participate are equipped with the tools now being recommended by national experts (*The Conference Board, Wagner et al.*) to promote:

- The ability to think critically and solve real life problems
- Leadership qualities
- The ability to work in teams
- An appreciation for diversity
- Good decision-making
- An understanding that young people can make a difference in building and sustaining communities
- Hands-on learning that is relevant to their lives
- The advancement of technology skills



emPower Me

Building Healthier, More Livable Communities



Key findings show that students who participate in these Heartland Foundation Youth Empowerment programs perform on many indicators at a statistically higher level than youth who do not participate.

Youth who participate in Heartland Foundation Youth Empowerment Programs are more likely to:	Means		Mann-Whitney Test
	Participating	Non-Particip.	
• be asked to be a leader	36.6%	29.1%	**
• to serve as a leader	33.3%	27.3%	***
• spend more time on homework	17.5%	13.7%	*
• earn higher grades in school	72.7%	68.6%	*
• participate in positive activities	76.2%	68.5%	**
• be involved with clubs, teams, etc.	86.2%	68.5%	**
• deal with conflict in a non-violent way	30.4%	24.0%	**
• feel good about their life	86.0%	81.0%	*
• be encouraged by an adult to volunteer	26.5%	21.2%	**
• volunteer in their community	44.0%	32.6%	***
• engage in reflection after volunteering	8.70%	6.10%	***
• defend an idea they believe in strongly	60.7%	59.0%	**
• feel accepted as members of the community	65.5%	59.3%	*
• believe they can personally contribute to the future of their community	67.1%	59.0%	*
• describe their community as a place where people help one another	59.3%	48.2%	*
• see their success is linked to how hard they work	93.9%	88.3%	*
• understand they have a responsibility to help those in need	67.0%	62.0%	***
• believe religiosity/spirituality is important	55.4%	50.2%	**
• participate in religious activities	49.7%	40.8%	***
Youth who participate in Heartland Foundation Youth Empowerment Programs are less likely to	Participating	Non-Particip	Mann-Whitney Test
• engage in risky behaviors	25.1%	29.5%	*
• smoke	37.4%	42.1%	**
• skip or ditch school	11.4%	15.4%	**
Note: The Mann-Whitney is a non-parametric test for assessing whether two independent samples come from the same distribution (tests whether the means of two populations are equal)			

Although not statistically significant, youth who participate in HF Youth Empowerment Programs report more frequently that they plan to graduate from high school.



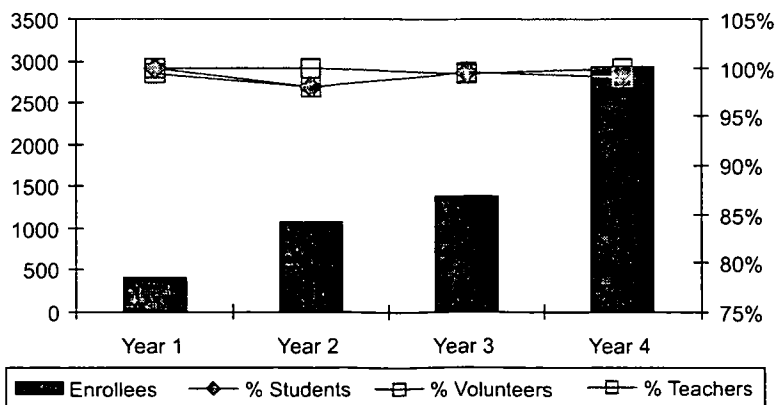
In addition, data collected from Kansas State University's E3 team gives a sharper picture of the student outcomes upon finishing the whole continuum of the youth empowerment model including their Jump Starters (JS) service-learning project. The continuum includes emPower Plant (eP) or Public Achievement (PA) and Jump Starters. The JS project is the capstone or culmination of all experiential learning activities within the Foundation's Youth Empowerment (YE) model:

- 100% of youth who participate in HF Youth Empowerment Programs (eP, PA and JS) report they plan to graduate from high school
- 95% plan to get more education after high school
- 97% report having a vision for their future
- 87% report having a career plan for when they graduate from high school
- 93% agree that teamwork is important for solving problems
- 92% believe they have developed skills they can use in the workplace as a result of participating in HF YE Programs
- 92% believe they strengthened their citizenship skills
- 93% of the youth believe teamwork is important for solving problems
- 87% of the youth indicate they are willing to initiate community change/improvement projects
- 86% of the youth indicate they have enhanced their skills for resolving conflict as a result of participation in HF YE Programs
- 90% of the youth indicate they have enhanced their skills for researching and gathering information to support an idea as a result of participation in HF YE Programs
- 91% of the youth indicate they have enhanced their skills for decision making as a result of participation in HF YE Programs
- 90% of the youth indicate they have enhanced their skills for planning and organizing as a result of participation in HF YE Programs
- 92% of the youth indicate they have enhanced their skills for the workplace as a result of participation in HF YE Programs



Public Achievement

emPower Plant Participation and Satisfaction Levels



Building Healthier, More Livable Communities

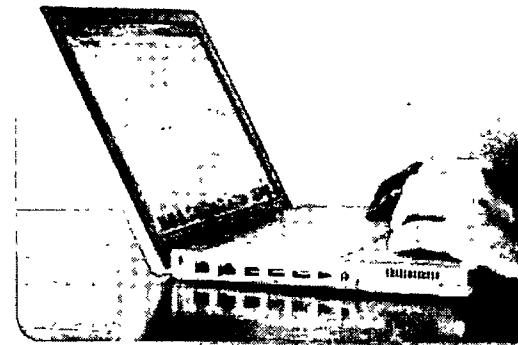


Regional Technology Infrastructure

A strategic priority of the Healthy Communities initiative, the Regional Technology Infrastructure Team has raised the hopes of rural communities by advocating to fuel expansion to deliver connectivity, speed and access to broadband coverage for the "underserved" and most remote and least populated areas of the region and state. It's a necessity for economic survival in rural places. Healthcare, quality education, and rural jobs increasingly depend on this access. Even so, a Pew Internet and American Life Project indicates only 41% of rural respondents have broadband connections at home.

As part of the Healthy Communities initiative, a website has been created to provide users with information, in one location, regarding area Internet service providers and the costs associated with each. To view this information, go to <http://heartland.nwdata.net>.

Heartland Health is also working with other northwest Missouri leaders to form a Regional Information Exchange (RIE). The RIE's purpose is to aggregate data for each individual citizen and direct this data across the region similar to a utility. Building this electronic bridge will create a common technical grid for communication and commerce to improve the overall health and well-being of individuals and communities.



Culture of Character

According to a new Josephson Institute survey, U.S. high school students are apathetic about ethical standards. Sixty-four percent of students reported cheating on a test in the past year, while 30% admitted to stealing from a store. Despite these findings, young people were satisfied with their personal ethics and character believing that "when it comes to doing what is right, I am better than most people I know." In fact, a 2008 Report Card on the Ethics of American Youth indicates that 98% of the youth respondents believe it's important "to be a person with good character."

At the 2004 Healthy Communities Regional Planning Forum, character education was lifted up as one of several strategic focuses for the region. Thoughtful and positive actions in promoting integrity and other character traits are now widespread throughout the region. Advocating the value of these characteristics, a strong and compelling message is delivered through a character education campaign reaching schools and businesses alike.

Culture of Character Traits

January	Tolerance — acceptance of differences and the uniqueness of others and celebrating the common ground we share
February	Honesty — being truthful in what you say and do
March	Cooperation — working together toward a common goal
April	Perseverance — demonstrating determination and commitment to complete a task
May	Patience — ability to remain calm and to wait for what you want
June	Confidence — freedom from doubt and believing in yourself
July	Integrity — always doing the right thing even when no one else is watching
August	Responsibility — taking ownership of what you say and do
September	Respect — treating others with courtesy and honor
October	Self-control — having control over one's actions, words & emotions
November	Citizenship — being loyal to your school, community & country
December	Compassion — caring for others with kindness



Addressing Obesity and Other Health Challenges

Obesity is one of the most critical health problems impacting the health and economic well-being of the United States today (Robert Wood Johnson Foundation, 2008). Since 1980 adult obesity rates have steadily risen from 15 to 30 percent, and two out of three adults are now considered either overweight or obese. Childhood obesity rates have also soared since 1980, from 6.5% to 16.3%. This epidemic has caused a strain on the nation's healthcare system by adding billions of dollars in additional healthcare costs to address this major issue. In fact, more than a quarter of direct healthcare costs are related to obesity and physical inactivity, with an estimated \$61 billion annually attributed to obesity and \$76 billion from physical inactivity. The report from the Robert Wood Johnson Foundation states that "overall, our country is failing to address the obesity epidemic in proportion to the threat that it poses. America's future depends on the health of our children, but we're failing them by not treating the obesity epidemic with the urgency it deserves."

Other Key Findings on Obesity

- According to the Surgeon General, obese employees cost private employers in the U.S. an estimated \$45 billion annually in medical expenditures and work loss alone.
- Children covered by Medicaid are six times more likely to be treated for severe obesity than those with private insurance. Average annual health care costs covered by Medicaid are \$6,700 per child compared to \$3,700 per privately insured child (Thomson Medstat; USA Today, 2006).
- Health care spending tied to obesity has increased by 36% - more than smoking or problem drinking (Roland Sturm, *The Effects of Obesity, Smoking and Drinking on Medical Programs and Costs*, *Health Affairs*, March/April 2002).
- Researchers from Johns Hopkins Bloomberg School of Public Health expect that 86% of U.S. adults will be overweight or obese by 2030. Related healthcare spending is projected to be as much as \$956.9 billion.

Our nation's experts believe that obesity has traditionally been viewed as a personal responsibility issue and, therefore, our country has been slow in dealing with this serious problem. Heartland Foundation takes another stance. We recognize that it is our collective responsibility to improve the health of the population. With our partners, we have invested in a promising innovation to make physical activity and good nutrition more accessible through a program called Project Fit.

Building Healthier, More Livable Communities



Project Fit

Since 1990, Heartland Foundation has partnered with national charity Project Fit America to combat childhood obesity and physical inactivity. With the support of many donor friends, the Foundation has raised and committed nearly \$660,000 to sponsor 48 Project Fit sites in the region, impacting more than 12,000 students daily. In addition, our future commitment is to expand our reach and partner with five new schools annually.

Project Fit focuses on new ways to be active, fit, and healthy as a part of the everyday school experience. The investment made in each school includes field-tested, total fitness equipment for outdoors; indoor fitness equipment; a curriculum; teacher training at each school site with national specialists; and community outreach opportunities. The goal is to encourage active living and healthy lifestyles.

Key findings of increased physical activity for children backed by Centers for Disease Control and Prevention translate into:

- Higher test scores and better grades
- Better school attendance
- Improved attitudes

Our own analysis of children involved in Project Fit shows their fitness levels have dramatically increased in several areas:



Project Fit



Project Fit Regional Results Pre/Post Screening Test, 2009

ACTIVITY	PRE	POST	IMPROVEMENT
Pull Ups	2.81	3.67	30.60%
Flex Arm Hang	0:18	0:23	27.27%
Pacer Test	30.8	38.38	27.60%
Sit Ups	28.44	38.16	34.19%
Vaults	8.90	11.14	25.11%
Step Test	35.91	41.95	16.83%
Pole Climb	1.77	2.61	47.46%



Building Healthier, More Livable Communities

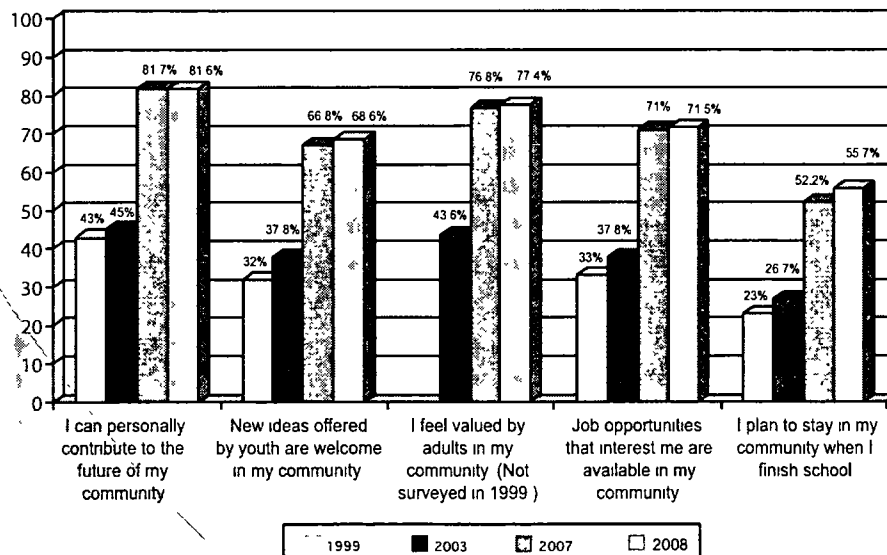


Advancing the Social Accountability Agenda

Economic research (GAO Report, 2007) suggests that improvements in education, workforce skills, and health status lead to significant impacts beyond individuals and families. Strong evidence implies that the economic well-being of businesses, communities and the nation as a whole will prosper.

The results we gather allow us to track trends and further influence our thinking about the importance of investing in our community and the region. Most promising is the change we see in our youth and how this work has impacted them in profoundly positive ways. Since 1999, over fifteen thousand youth, ages 12 to 18, have been surveyed by Heartland Foundation. The bar graph below reflects their opinions and reinforces why these investments and actions are important

Youth Survey Findings



With this in mind, Heartland Foundation understands that we have a moral obligation. By working together in new ways, we can find cost-effective collaborative strategies to improve the health status and social conditions of our communities. Education and quality jobs remain the best route to longer-term progress and success in building healthier communities.

Together, we can make lasting change happen...and fulfill our promise to build "healthier, more livable communities."

Facts at a Glance

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Saint Joseph, MO 64506
816-271-7200

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www.heartlandfoundation.org

YOUTH SERVICE- LEARNING SHOWCASE

www.launchpad.heartlandfoundation.org

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www.facebook.com/HeartlandFoundation
www.twitter.com/HeartlandFnd

INVESTMENT OPPORTUNITIES

www.hfmarket.org

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PROGRAMS & RESOURCES

- Healthy Communities Culture of Character, Community Transformation Forums, Healthy Communities Regional Investor Council, P-20 Education Council, Regional Planning Forums, Regional Technology Infrastructure Task Force, Healthy Communities Summit
- Youth Empowerment emPower Me, emPower Plant, Jump Starters Summit, Project Fit, Public Achievement, Public Achievement Rally, READ from the START, Voices
- Resources: Scholarships, Healthy Partnerships, Heartland House, Hope House, Jump Starters

NATIONAL AWARDS

- Learn and Serve America Grantee 2006-2009
- EPA Brownfields 2008 Cultivating Sustainable Communities Award
- Southern Growth Policies Board 2008 Innovator Award
- Learn and Serve America's Spirit of Service Award Finalist 2008
- America's Promise Innovation of Promise Partner 2004

FORM 990, PART III, LINE 1 - ORGANIZATION'S MISSION

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HEARTLAND FOUNDATION HAS A VISION TO BUILD HEALTHIER, MORE LIVABLE COMMUNITIES. THE ORGANIZATION'S MISSION IS TO EMPOWER CHILDREN AND ADULTS TO IMPROVE THEIR HEALTH AND QUALITY OF LIFE. THE ORGANIZATION SERVES AS A CATALYST TO BRING PEOPLE, FROM ALL WALKS OF LIFE, TOGETHER TO WORK WITH DIVERSE PARTNERS AND ALL SECTORS TO FIND NEW AND INNOVATIVE SOLUTIONS TO MAKE THE GREATEST DIFFERENCE FOR THE FUTURE OF CHILDREN, THEIR FAMILIES, AND OUR REGION.

FORM 990, PART III - PROGRAM SERVICES

4A PROGRAM SERVICE

HEARTLAND FOUNDATION HAS A VISION TO BUILD HEALTHIER, MORE LIVABLE COMMUNITIES. THE ORGANIZATION'S MISSION IS TO EMPOWER CHILDREN AND ADULTS TO IMPROVE THEIR HEALTH AND QUALITY OF LIFE. THROUGH VARIOUS PROGRAMS AND ACTIVITIES, THE ORGANIZATION DRAWS THE COMMUNITY TOGETHER TO FOCUS ON THE ISSUES AND SOLUTIONS FOR CREATING A BETTER, STRONGER COMMUNITY. SOME OF THE HIGH POINTS OF THOSE ACTIVITIES ARE:

COMMUNITY TRANSFORMATION FORUMS- COMMUNITY TRANSFORMATION FORUMS ARE AN ESSENTIAL PIECE OF BUILDING COMMUNITY CONSENSUS IN DETERMINING KEY ISSUES AND OPPORTUNITIES FOR CHANGE, SUPPORTING CONTINUOUS IMPROVEMENT, AND NURTURING INVOLVEMENT IN THE DEVELOPMENT OF HEALTHY COMMUNITIES. FORUMS BRING CITIZENS TO THE TABLE WITH EMPHASIS ON THE FOLLOWING OUTCOMES:

- TO BROADEN THE UNDERSTANDING OF HEALTHY COMMUNITIES
- TO SUPPORT THE DEVELOPMENT OF TRANSFORMATIONAL LEADERS BY CHANGING THE WAY CITIZENS THINK ABOUT THEIR COMMUNITIES AND OPPORTUNITIES FOR WORKING TOGETHER
- TO ESTABLISH AN ONGOING PERSONAL COMMITMENT FOR CREATING HEALTHIER COMMUNITIES
- TO STIMULATE ACTION ON THE PART OF CROSS-SECTORAL TEAMS TO INITIATE NEW, INNOVATIVE EFFORTS THAT WILL IMPACT THE HEALTH AND QUALITY OF LIFE OF A COMMUNITY
- TO ACHIEVE MEASURABLE IMPROVEMENTS, DEFINE COMMUNITY AND HEALTH STATUS INDICATORS
- TO PROVIDE A SELF-PERPETUATING MODEL AS A COMMUNITY-BUILDING STRATEGY

CULTURE OF CHARACTER - SELECTED AS ONE OF THE REGIONAL PRIORITIES BY THE HC REGIONAL INVESTOR COUNCIL, NORTHWEST MISSOURI REGIONAL CULTURE OF CHARACTER IS A COLLABORATIVE EFFORT OF SCHOOLS, BUSINESSES, INDUSTRIES, FAMILIES AND COMMUNITIES TO IMPROVE THE OVERALL CLIMATE OF OUR COMMUNITIES. CITIZENS OF NORTHWEST MISSOURI HAVE COLLABORATIVELY SELECTED 12 CHARACTER TRAITS THAT THEY ARE ESSENTIAL TO CREATING A CULTURE OF CHARACTER IN THIS REGION. THE NORTHWEST MISSOURI REGIONAL PROFESSIONAL DEVELOPMENT CENTER AND CHARACTERPLUS, ALONG WITH MANY BUSINESSES THROUGHOUT THE REGION, HAVE PARTNERED WITH PUBLIC SCHOOLS FOR THIS EXCITING INITIATIVE.

SCHOLARSHIPS - STUDENTS FROM THROUGHOUT THE 30-COUNTY REGION ARE ELIGIBLE TO APPLY FOR FINANCIAL ASSISTANCE THROUGH A NUMBER OF SCHOLARSHIP PROGRAMS MANAGED BY HEARTLAND FOUNDATION:

- VELMA FLIES ANDERSON NURSING SCHOLARSHIP

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- HILLYARD TECHNICAL CENTER
 - DORIS HINES SCHOLARSHIP
 - JERRY MAKI SCHOLARSHIP
 - PATRICK L. NEWMAN MIC-O-SAY SCHOLARSHIP
 - MARY ANN REINERT NURSING SCHOLARSHIP
 - BILL AND MARY RUSSELL SCHOLARSHIP
 - MARY ALICE HARTIGAN SCHOLARSHIP

THINK AHEAD SUMMIT - THE THINK AHEAD SUMMIT IS AN ANNUAL EVENT DESIGNED TO CELEBRATE CITIZENS' EFFORTS TO BUILD HEALTHIER, MORE LIVABLE COMMUNITIES THROUGHOUT A 30-COUNTY REGION OF NORTHWEST MISSOURI AND BORDERING COUNTIES IN KANSAS, IOWA AND NEBRASKA. HOSTED BY HEARTLAND FOUNDATION AND THE HEALTHY COMMUNITIES INVESTORS, THE SUMMIT WELCOMES CITIZENS FROM ALL WALKS OF LIFE: STUDENTS, EDUCATORS, BUSINESS AND INDUSTRY, SOCIAL SERVICES AND AGRICULTURE. PAST MOTIVATIONAL SPEAKERS HAVE INCLUDED LEE KAISER, CULTURAL ANTHROPOLOGIST JENNIFER JAMES, U.S. SENATOR ELIZABETH DOLE, AUTHOR MARGARET WHEATLEY, CHICKEN SOUP FOR THE SOUL AUTHOR DAN CLARK, MT. EVEREST SUMMITTEER ALAN HOBSON, NATIONAL GEOGRAPHIC PHOTOGRAPHER DEWITT JONES, EDUCATOR CARL GLICKMAN, PERFORMANCE PSYCHOLOGIST DR. JIM LOEHR, BETTER TOGETHER AUTHOR ROBERT PUTNAM, NEXT GENERATION CONSULTANT REBECCA RYAN, SEARCH INSTITUTE PRESIDENT DR. PETER BENSON, ETHICS EXPERT PATRICK KUHSE, AND RUBY PAYNE, AUTHOR OF A FRAMEWORK FOR UNDERSTANDING POVERTY. THE 2010 SUMMIT FEATURED DR. ADEWALE TROUTMAN, DIRECTOR OF LOUISVILLE METRO PUBLIC HEALTH, EXPLORING SOCIAL INEQUALITIES IN HEALTH; DR. ANTHONY MUHAMMAD, EDUCATOR AND EDUCATIONAL CONSULTANT WHO HAS SUCCEEDED IN TURNING AROUND FAILING INNER CITY SCHOOLS; AND A RETURN APPEARANCE BY DR. PETER BENSON ON IGNITING THE HIDDEN STRENGTHS OF TEENAGERS.

YOUTH EMPOWERMENT

EMPOWER ME - IN COLLABORATION WITH THE FIFTH JUDICIAL CIRCUIT, JUVENILE DIVISION, AND NORTHWEST MISSOURI STATE UNIVERSITY, EMPOWER ME IS A TRANSFORMATIONAL FORUM DESIGNED TO BRING SKILLS, KNOWLEDGE, HOPE AND EMPOWERMENT TO YOUNG STATUS OFFENDERS.

EMPOWER PLANT & EMPOWERU IMMERSION - THROUGH THE EMPOWER PLANT CURRICULUM AND EMPOWERU IMMERSION, THE FOUNDATION HAS NOW CHARGED UP CLOSE TO 8,000 STUDENTS FROM OVER 100 AREA SCHOOLS TO SEE THEIR ROLE AS COMMUNITY PROBLEM SOLVERS. BOTH RURAL AND URBAN SCHOOLS PARTICIPATE IN THE FULL CURRICULUM AND ATTEND THE ONE-DAY IMMERSION AT EMPOWERU. EVALUATIVE RESEARCH SHOWS PROMISING RESULTS WITH A STATISTICALLY-SIGNIFICANT DIFFERENCE IN STUDENTS WHO ARE

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ENGAGED IN THIS PROGRAM.

JUMP STARTERS - WITH INITIAL SUPPORT OF LEARN & SERVE AMERICA, JUMP STARTERS GRANT FUNDING IS AVAILABLE FOR STUDENTS WHO TAKE ON REAL-LIFE COMMUNITY CHALLENGES FOLLOWING PARTICIPATION IN EITHER EMPOWER PLANT OR PUBLIC ACHIEVEMENT PROGRAMS. STUDENT-LED INITIATIVES VARY; EXAMPLES OF PAST PROJECTS INCLUDE A GROUP THAT FORMED AN UNDERAGE DRINKING CAMPAIGN AND ANOTHER ORGANIZED A CITYWIDE CLEANUP OF DEBRIS LEFT FROM THE PREVIOUS WINTER'S ICE STORM.

PROJECT FIT AMERICA - OUR PARTNERSHIP WITH PROJECT FIT AMERICA CONTINUES TO ENABLE US TO KEEP OUR KIDS FIT. OVER 12,000 STUDENTS FROM 48 PARTNER SCHOOLS NOW PARTICIPATE IN PROJECT FIT. NOT ONLY ARE SCHOOLS SHOWING A CHANGE IN PHYSICAL FITNESS MEASURES LIKE BODY MASS INDEX; THOSE STUDENTS INVOLVED IN PROJECT FIT ARE MORE FOCUSED IN THE CLASSROOM, MISS FEWER DAYS OF SCHOOL, AND ARE HIGHER ACHIEVERS IN THEIR SCHOOL WORK.

PUBLIC ACHIEVEMENT - GUIDED BY VOLUNTEER COACHES, THE PUBLIC ACHIEVEMENT PROCESS INSPIRES YOUNG PEOPLE TO TACKLE EVERYDAY POLITICS BY ADDRESSING ISSUES IMPORTANT TO THEM. A NUMBER OF SCHOOLS AND ORGANIZATIONS ARE NOW INVOLVED. THE PUBLIC ACHIEVEMENT DEMOCRACY COUNCIL SERVES AS THE YOUTH-LED ADVISORY GROUP FOR ALL PUBLIC ACHIEVEMENT SITES WE SPONSOR.

READ FROM THE START - A PARTNERSHIP WITH MISSOURI HUMANITIES COUNCIL, READ FROM THE START IS CENTERED ON THE CONVICTION THAT PARENTS ARE CHILDREN'S FIRST AND FOREMOST TEACHERS. IF PARENTS TAKE PLEASURE IN BOOKS, CHILDREN WILL ALSO LIKELY DEVELOP A LOVE FOR READING. OUR PROGRAM PROVIDES A SMALL COLLECTION OF BOOKS APPROPRIATE FOR CHILDREN FROM INFANCY TO FIVE YEARS.

YOUTH SURVEY - THIS ASSESSMENT TOOL OFFERS INSIGHT TO THE ATTITUDES AND BEHAVIORS OF MIDDLE AND HIGH SCHOOL STUDENTS IN THE REGION. STUDENTS ARE POLLED ABOUT ISSUES LIKE COMMUNITY INVOLVEMENT, RISKY BEHAVIORS, AND FUTURE PLANS.